



April 4, 2003

ENGROSSED HOUSE BILL No. 1481

DIGEST OF HB 1481 (Updated April 3, 2003 11:03 AM - DI 102)

Citations Affected: IC 22-2; noncode.

Synopsis: Employee unpaid wage claims. Increases from \$600 to \$2,000 the maximum amount an employee may claim as unpaid compensation against an employer that goes out of business or files bankruptcy. Establishes: (1) an employee's claim for unpaid compensation as a secured interest; and (2) the employee as a secured creditor.

Effective: July 1, 2003.

Pflum, Liggett

(SENATE SPONSORS — HARRISON, CRAYCRAFT, ANTICH)

January 15, 2003, read first time and referred to Committee on Labor and Employment.
January 23, 2003, reported — Do Pass. Referred to Committee on Ways and Means pursuant to Rule 127.
February 26, 2003, reported — Do Pass.
March 3, 2003, read second time, ordered engrossed. Engrossed.
March 4, 2003, read third time, passed. Yeas 98, nays 0.

SENATE ACTION

March 10, 2003, read first time and referred to Committee on Pensions and Labor.
April 3, 2003, reported favorably — Do Pass.

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April 4, 2003

First Regular Session 113th General Assembly (2003)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2002 Regular or Special Session of the General Assembly.

ENGROSSED HOUSE BILL No. 1481

A BILL FOR AN ACT to amend the Indiana Code concerning labor and industrial safety.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 22-2-10-1 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 1. ~~Hereafter~~, When the
3 property of any company, corporation, limited liability company, firm,
4 or person, engaged in any manufacturing, mechanical, agricultural, or
5 other business or employment, or in the construction of any work or
6 building, shall be seized upon any mesne or final process of any court
7 of the state, or where their business shall be suspended by the action of
8 creditors or put into the hands of any assignee, receiver, or trustee, then
9 in all such cases ~~the debts owing to~~ laborers or employees ~~which have~~
10 ~~accrued by reason of their labor or employment to~~ **shall have a claim**
11 **for** an amount not exceeding ~~six hundred two thousand~~ dollars (\$600)
12 **to each (\$2,000) per** employee for work and labor performed within
13 three (3) months ~~next preceding before~~ **the seizure of such property.**
14 **This claim** shall be considered and treated as ~~preferred debts a~~
15 **secured interest**, and ~~such the~~ laborers or employees **having a claim**
16 **for unpaid compensation** shall be ~~preferred secured~~ creditors and

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1 shall be first paid in full, and if there be not sufficient to pay them in
2 full then the same shall be paid to them pro rata, after paying costs;
3 however, the term employees as used in this section shall include
4 traveling salesmen, traveling agents, and manufacturers' agents,
5 whether they are employed under monthly or yearly contracts or
6 otherwise.

7 SECTION 2. [EFFECTIVE JULY 1, 2003] **IC 22-2-10-1, as**
8 **amended by this act, applies to compensation first payable after**
9 **June 30, 2003.**

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Labor and Employment, to which was referred House Bill 1481, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

LIGGETT, Chair

Committee Vote: yeas 12, nays 2.

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1481, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

CRAWFORD, Chair

Committee Vote: yeas 26, nays 0.

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SENATE MOTION

Mr. President: I move that Senator Antich be added as cosponsor of Engrossed House Bill 1481.

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COMMITTEE REPORT

Mr. President: The Senate Committee on Pensions and Labor, to which was referred House Bill No. 1481, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS.

(Reference is made to House Bill 1481 as printed February 27, 2003.)

HARRISON, Chairperson

Committee Vote: Yeas 8, Nays 0.

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